



---

## **DEPARTMENT OF HOMELAND SECURITY**

### **U.S. Customs and Border Protection**

---

#### **Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release for Type 03 Entries and for Truck Carriers**

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** General notice.

**SUMMARY:** This document announces U.S. Customs and Border Protection's (CBP's) plan to modify the National Customs Automation Program (NCAP) test concerning Automated Commercial Environment (ACE) cargo release to allow importers and customs brokers to file type 03 entries for all modes of transportation and to file, for cargo transported in the truck mode,

entries for split shipments or partial shipments and entry on cargo which has been moved in-bond from the first U.S. port of unloading.

**DATES:** The ACE Cargo Release Test modifications became effective on March 1, 2015. The ACE Cargo Release Test will continue until CBP publishes in the Federal Register an announcement of its conclusion.

**ADDRESSES:** Comments or questions concerning this notice and indication of interest in participation in ACE Cargo Release Test should be submitted, via email, to Steven Zaccaro at [steven.j.zaccaro@cbp.dhs.gov](mailto:steven.j.zaccaro@cbp.dhs.gov). In the subject line of your email, please use, “Comment on ACE Cargo Release 03 Entries and Truck Mode.” The body of the email should identify the ports where filings are likely to occur.

**FOR FURTHER INFORMATION CONTACT:** For policy questions related to ACE, contact Josephine Baiamonte, Acting Director, Business Transformation, ACE Business Office, Office of International Trade, at [josephine.baiamonte@dhs.gov](mailto:josephine.baiamonte@dhs.gov). For policy questions related to ISF, contact Craig Clark, Program Manager, Cargo and Conveyance Security, Office of Field Operations, at [craig.clark@cbp.dhs.gov](mailto:craig.clark@cbp.dhs.gov). For technical questions, contact Steven Zaccaro, Client Representative Branch, ACE Business Office, Office of International Trade, at [steven.j.zaccaro@cbp.dhs.gov](mailto:steven.j.zaccaro@cbp.dhs.gov).

**SUPPLEMENTARY INFORMATION:**

---

---

## **Background**

### **I. The National Customs Automation Program**

This test notice, and the Customs related electronic functions it describes, are part of the National Customs Automation Program (NCAP). NCAP was established in Subtitle B of Title VI—Customs Modernization, in the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057, 2170, December 8, 1993) (Customs Modernization Act). See 19 U.S.C. 1411. Through NCAP, the initial focus of customs modernization was on trade compliance and the development of the Automated Commercial Environment (ACE), the planned successor to the legacy Customs Automated Commercial System (ACS). ACE is an automated and electronic system for commercial trade processing. ACE will streamline business processes, facilitate growth in trade, ensure cargo security, and foster participation in global commerce, while ensuring compliance with U.S. laws and regulations and reducing costs for CBP and all its communities of interest. The ability to meet these objectives depends upon successfully modernizing CBP’s business functions and the information technology that supports those functions. CBP’s modernization efforts are accomplished through phased releases of ACE component functionality, designed to introduce a new capability or to replace a specific legacy ACS function. Each release will begin with a test, and will end with mandatory compliance with the new ACE feature, thus retiring the legacy

ACS function. Each release builds on previous releases, and sets the foundation for subsequent releases.

---

The ACE Cargo Release test was previously known as the Simplified Entry Test, because the test simplified the entry process by reducing the number of data elements required to obtain release for cargo transported by air. The original test notice required participants to be a member of the Customs-Trade Partnership Against Terrorism (C-TPAT) program. Through phased releases of ACE component functionality, this test has been expanded to allow all eligible participants to join the test for an indefinite period regardless of the C-TPAT status of an importer self-filer or a customs broker. CBP also expanded the ACE Cargo release test to allow ACE-participating brokers and importers to file for release of cargo transported by air, ocean, or rail. See 79 FR 6210 (February 3, 2014). For these three modes of transportation, CBP limited the ACE Cargo Release test to formal consumption entries, which ACS termed Type 01 entries; and to informal entries, which ACS termed Type 11 entries. See 79 FR 6210.

On May 2, 2014, CBP published a **Federal Register** notice to announce its expansion of the ACE Cargo Release test to allow ACE-participating brokers and importers to file for release of cargo transported by truck, but only for Type 01 and Type 11 entries. 79 FR 25142 (May 2, 2014). In that phase of the ACE Cargo Release test, however, for cargo transported by truck, CBP

excluded split shipments, partial shipments, entry on cargo that has been moved in-bond from the first U.S. port of unloading, and entries requiring PGA information.

For the convenience of the public, all **Federal Register** publications detailing ACE test developments in Entry, Summary, Accounts, and Revenue (ESAR) are listed chronologically at the end of this notice, in Section VI.

“Development of ACE Prototypes.” CBP’s ACE eligibility criteria, technical specifications, recordkeeping requirements, and rules, as specified in prior NCAP test notices for ACE, remain in effect unless CBP publishes a notice, such as this one, that explicitly announces a change.

## **II. Authorization for the Test**

The Customs Modernization provisions in the North American Free Trade Agreement Implementation Act provide the Commissioner of CBP with authority to conduct limited test programs or procedures designed to evaluate planned components of the NCAP. This test is authorized pursuant to § 101.9(b) of the CBP Regulations (19 CFR 101.9(b)) which provides for the testing of NCAP programs or procedures. See Treasury Decision (T.D.) 95–21.

## **III. Modification of ACE Cargo Release Test to Include Type 03 Entries, and to Expand Cargo Release Filing Capabilities for Cargo Conveyed by Truck**

---

This notice announces that, as an addition to Type 01 and Type 11 entries, CBP is now allowing brokers and importers, who are also ACE participants, to file, for air, ocean, rail, and truck modes of transportation, a simplified entry for release of cargo subject to an antidumping or countervailing duty proceeding, which ACS termed Type 03 entries.

This notice also announces that CBP is now allowing ACE-participating brokers and importers to file for release of cargo transported by truck that are split shipments, partial shipments, entry on cargo that has been moved in-bond from the first U.S. port of unloading.

#### Eligibility Requirements

To be eligible to apply for this test, the applicant must: (1) be a self-filing importer who has the ability to file ACE Entry Summaries certified for cargo release or a broker who has the ability to file ACE Entry Summaries certified for cargo release; or (2) have evinced the intent to file entry summaries in ACE.

Parties seeking to participate in this test must use a software package that has completed Automated Broker Interface (ABI) certification testing for ACE and offers the ACE Cargo Release (SE) message set prior to transmitting data under the test. See the General Notice of August 26, 2008 (73 FR 50337) for a complete discussion on procedures for obtaining an ACE Portal Account.

Importers not self-filing must be sure their broker has the capability to file entry summaries in ACE.

#### Document Image System (DIS)

Parties who file entry summaries in ACE are allowed to submit specified CBP and PGA documents via a CBP-approved Electronic Data Interchange (EDI). In a notice published in the **Federal Register** (79 FR 36083) on June 25, 2014, CBP set forth the rules for filing submissions via DIS and a list of CBP and PGA forms that may be submitted via DIS. For technical information about how ACE participants may build an interface to connect with CBP DIS, see [http://www.cbp.gov/sites/default/files/documents/dis\\_implementation\\_guide\\_3.pdf](http://www.cbp.gov/sites/default/files/documents/dis_implementation_guide_3.pdf)

#### Test Participation Selection Criteria

The ACE Cargo Release test is open to all importers and customs brokers filing ACE Entry Summaries for cargo transported in the ocean, rail, and truck modes. CBP will endeavor to accept all new eligible applicants on a first come, first served basis; however, if the volume of eligible applicants exceeds CBP's administrative capabilities, CBP will reserve the right to select importer and exporter participants based upon entry filing volume, diversity of clients or

of industries represented, while giving consideration to the order in which CBP received the requests to participate.

Any party seeking to participate in this test must provide CBP, in their request to participate, their filer code and the port(s) at which they are interested in filing ACE Cargo Release transaction data. At this time, ACE Cargo Release data may be submitted only for entries filed at certain ports. A current listing of those ports may be found on the following website:

<http://www.cbp.gov/document/guidance/ace-cargo-release-pilot-ports> . CBP may expand to additional ports in the future.

### Filing Capabilities

The filing capabilities for the ACE Cargo Release test set forth in a **Federal Register** notice (79 FR 25142) continue to apply and are now expanded to include ACE-participating importers and customs brokers filing for cargo transported in the truck mode, to allow for automated corrections and cancellations, split shipments, partial shipments, entry on cargo which has been moved by in-bond from the first U.S. port of unloading, and entry for a full manifested bill quantity. These new capabilities include functionality specific to the filing and processing of Type 01, Type 03, and Type 11 for cargo conveyed by air, ocean, rail, or truck mode of transportation. The ACE Cargo



Release filing capabilities serve to assist the importer in completion of entry as required by the provisions of 19 U.S.C. 1484(a)(1)(B).

Data Elements to be Filed

In lieu of filing CBP Form 3461 data, the importer or broker acting on behalf of the importer must file the following 12 data elements (known as the ACE Cargo Release Data set) with CBP:

- (1) Importer of Record Number.
- (2) Buyer name and address.
- (3) Buyer Employer Identification Number (consignee number).
- (4) Seller name and address.
- (5) Manufacturer/supplier name and address.
- (6) HTS 10-digit number.
- (7) Country of origin.
- (8) Bill of lading/house air waybill number.
- (9) Bill of lading issuer code.
- (10) Entry number.

---

(11) Entry type.

(12) Estimated shipment value.

For cargo transported by ocean or by rail, the filer has the option, but is not required, to provide the following three (3) data elements:

(13) Ship to party name and address (optional).

(14) Consolidator name and address (optional).

(15) Container stuffing location (optional).

To enable enhanced functionality in ACE Cargo Release, the ACE-participating importer or broker may provide an additional three (3) data elements if applicable, for cargo transported by air, ocean, rail, or truck:

(16) Port of Entry (if an in-bond number is provided in the entry submission, the planned port of entry must also be provided).

(17) In-Bond number (if an in-bond shipment).

(18) Bill Quantity (if bill of lading quantity is specified in the entry, it becomes the entered and released quantity for that bill. If the bill quantity is not specified, full bill quantity will be entered and released for that bill).

---

---

Data element (1) and data elements (6) through (12) are defined in the same manner as when they are used for entry filing on the CBP Form 3461. Data elements (2) through (5) and (13) through (15) are defined in accordance with the provisions of 19 CFR 149.3.

The ACE Cargo Release Data set may be filed at any time prior to arrival of the cargo in the United States port of arrival with the intent to unlade. This data fulfills merchandise entry requirements and allows for earlier release decisions and more certainty for the importer in determining the logistics of cargo delivery.

#### Functionality

Upon receipt of the ACE Cargo Release data, CBP will process the submission and will subsequently transmit its cargo release decision to the filer. If a subsequent submission is submitted to CBP, CBP's decision regarding the original submission is no longer controlling.

The merchandise will then be considered to be entered upon its arrival in the port with the intent to unlade, as provided by current 19 CFR 141.68(e).

#### **V. Misconduct under the Test**

---

---

An ACE test participant may be subject to civil and criminal penalties, administrative sanctions, liquidated damages, and/or suspension from this test for any of the following:

Failure to follow the terms and conditions of this test.

Failure to exercise reasonable care in the execution of participant obligations.

Failure to abide by applicable laws and regulations.

Suspensions for misconduct will be administered by the Executive Director, Trade Policy and Programs, Office of International Trade, CBP Headquarters.

A written notice proposing suspension will be issued to the participant that appraises the participant of the facts or conduct warranting suspension and informs the participant of the date the suspension will begin. Any decision proposing suspension of a participant may be appealed in writing to the Assistant Commissioner, Office of International Trade within 15 calendar days of the notification date. An appeal of a decision of proposed suspension must address the facts or conduct charges contained in the notice and state how compliance will be achieved. In cases of non-payment, late payment, willful misconduct or where public health interests or safety is concerned, a suspension may be effective immediately.

---

## **VI. Development of ACE Prototypes**

A chronological listing of **Federal Register** publications, which describe ACE test developments, is provided, below.

ACE Portal Accounts and Subsequent Revision Notices: 67 FR 21800 (May 1, 2002); 69 FR 5360 and 69 FR 5362 (February 4, 2004); 69 FR 54302 (September 8, 2004); 70 FR 5199 (February 1, 2005). ACE System of Records Notice: 71 FR 3109 (January 19, 2006).

Terms/Conditions for Access to the ACE Portal and Subsequent Revisions: 72 FR 27632 (May 16, 2007); 73 FR 38464 (July 7, 2008).

ACE Non-Portal Accounts and Related Notice: 70 FR 61466 (October 24, 2005); 71 FR 15756 (March 29, 2006).

ACE Entry Summary, Accounts and Revenue (ESAR I) Capabilities: 72 FR 59105 (October 18, 2007).

ACE Entry Summary, Accounts and Revenue (ESAR II) Capabilities: 73 FR 50337 (August 26, 2008); 74 FR 9826 (March 6, 2009).

ACE Entry Summary, Accounts and Revenue (ESAR III) Capabilities: 74 FR 69129 (December 30, 2009).

---

---

ACE Entry Summary, Accounts and Revenue (ESAR IV) Capabilities: 76 FR 37136 (June 24, 2011).

Post-Entry Amendment (PEA) Processing Test: 76 FR 37136 (June 24, 2011).

ACE Announcement of a New Start Date for the National Customs Automation Program Test of Automated Manifest Capabilities for Ocean and Rail Carriers: 76 FR 42721 (July 19, 2011).

ACE Simplified Entry: 76 FR 69755 (November 9, 2011).

National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS): 77 FR 20835 (April 6, 2012).

National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Simplified Entry: Modification of Participant Selection Criteria and Application Process: 77 FR 48527 (August 14, 2012).

Modification of NCAP Test Regarding Reconciliation for Filing Certain Post-Importation Preferential Tariff Treatment Claims under Certain FTAs: 78 FR 27984 (May 13, 2013).

Modification of Two National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS) and Simplified Entry (SE): 78 FR 44142 (July 23, 2013).

---

Modification of Two National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS) and Simplified Entry (SE); Correction: 78 FR 53466 (August 29, 2013).

Modification of NCAP Test Concerning Automated Commercial Environment (ACE) Cargo Release (formerly known as Simplified Entry): 78 FR 66039 (November 4, 2013).

Post-Summary Corrections to Entry Summaries Filed in ACE Pursuant to the ESAR IV Test: Modifications and Clarifications: 78 FR 69434 (November 19, 2013).

National Customs Automation Program (NCAP) Test Concerning the Submission of Certain Data Required by the Environmental Protection Agency and the Food Safety and Inspection Service Using the Partner Government Agency Message Set Through the

Automated Commercial Environment (ACE): 78 FR 75931 (December 13, 2013).

Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release for Ocean and Rail Carriers: 79 FR 6210 (February 3, 2014).

---

---

Modification of National Customs Automation Program (NCAP) Test  
Concerning Automated Commercial Environment (ACE) Cargo Release To  
Allow Importers and Brokers To Certify From ACE Entry Summary: 79 FR  
24744 (May 1, 2014).

Modification of National Customs Automation Program (NCAP) Test  
Concerning Automated Commercial Environment (ACE) Cargo Release for  
Truck Carriers: 79 FR 25142 (May 2, 2014).

---



---

Modification of National Customs Automation Program (NCAP) Test  
Concerning Automated Commercial Environment Document Image System:  
79 FR 36083 (June 25, 2014).

eBond Test: 79 FR 70881 (November 28, 2014); 80 FR 899 (January 7, 2015).

Dated: March 24, 2015.

Brenda B. Smith,

Assistant Commissioner,

Office of International Trade.

---

[FR Doc. 2015-07122 Filed: 3/26/2015 08:45 am; Publication Date:

3/27/2015]

---